

104TH CONGRESS
1ST SESSION

H. R. 1509

To amend the District of Columbia Self-Government and Governmental Reorganization Act to permit certain tax revenues of the District of Columbia to be pledged to pay debt service on obligations issued by an agency or instrumentality of the District government to finance certain costs of a downtown sports arena and convention center; to authorize such agency or instrumentality of the District government to expend such tax revenues without the requirement that such tax revenues be appropriated by the District of Columbia and the Congress; to provide that the obligations issued by any such agency or instrumentality of the District government shall not be considered general obligations of the District of Columbia for purposes of calculating limitations on borrowing and spending by the District of Columbia, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1995

Ms. NORTON (by request) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

A BILL

To amend the District of Columbia Self-Government and Governmental Reorganization Act to permit certain tax revenues of the District of Columbia to be pledged to pay debt service on obligations issued by an agency or instrumentality of the District government to finance certain costs of a downtown sports arena and convention center; to authorize such agency or instrumentality of the District government to expend such tax revenues without the requirement that such tax revenues be appro-

priated by the District of Columbia and the Congress; to provide that the obligations issued by any such agency or instrumentality of the District government shall not be considered general obligations of the District of Columbia for purposes of calculating limitations on borrowing and spending by the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; REFERENCES IN ACT.**

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “District of Columbia Government Downtown Sports
 6 Arena and Convention Center Financing Act of 1995”.

7 (b) REFERENCES IN ACT.—Whenever in this Act an
 8 amendment is expressed in terms of an amendment to,
 9 or repeal of, a section or other provision, the reference
 10 shall be considered to be made to that section or other
 11 provision of the District of Columbia Self-Government and
 12 Governmental Reorganization Act.

13 **SEC. 2. AUTHORITY TO ISSUE OBLIGATIONS FOR DOWN-**
 14 **TOWN SPORTS ARENA AND CONVENTION**
 15 **CENTER.**

16 (a) AUTHORITY TO ISSUE OBLIGATIONS.—Section
 17 490(a) (D.C. Code, sec. 47–334(a)) is amended by adding
 18 at the end the following new paragraph:

19 “(5)(A) An agency or instrumentality of the District
 20 with the authority to issue by resolution bonds, notes or

1 other obligations hereby is authorized to issue such bonds,
2 notes or other obligations to borrow money to finance, to
3 refinance or to assist in the undertaking of the develop-
4 ment, construction, and operation of a downtown sports
5 and entertainment complex and convention center.

6 “(B) Subject to subsection (c), any resolutions au-
7 thorizing the issuance of any bonds, notes or other obliga-
8 tions issued by such agency or instrumentality may pro-
9 vide for (i) the payment of such bond, note, or other obli-
10 gation from available revenues, including assets, property
11 or designated fees and taxes, and (ii) the securing of such
12 bond, note or other obligation by the mortgage of real
13 property or the creation of any security interest in avail-
14 able revenues, including assets, other property or des-
15 ignated fees and taxes.

16 “(C) The fourth sentence of section 446 shall not
17 apply to—

18 “(i) any amount (including the amount of any
19 accrued interest or premium) obligated or expended
20 from the proceeds of the sale of any revenue bond,
21 note, or other obligation issued under subparagraph
22 (A),

23 “(ii) any amount obligated or expended for the
24 payment of the principal of, interest on, or any pre-

1 mium for any revenue bond, note, or other obligation
2 issued under subparagraph (A), and

3 “(iii) any amount obligated or expended to se-
4 cure any revenue bond, note, or other obligation is-
5 sued under subparagraph (A).”.

6 **SEC. 3. SECURITY INTERESTS IN CERTAIN DISTRICT REVE-**
7 **NUES.**

8 (a) AUTHORIZATION TO CREATE SECURITY INTER-
9 EST.—Section 467(a) (D.C. Code, sec. 47–326.1(a)) is
10 amended—

11 (1) by striking “(a)” and inserting “(a)(1)”;
12 and

13 (2) by adding at the end the following new
14 paragraph:

15 “(2) Revenue bonds or other obligations issued by an
16 agency or instrumentality of the District government pur-
17 suant to section 490(a)(5)(A) may create a security inter-
18 est in certain District revenues, including, but not limited
19 to, designated taxes or fees, as additional security for the
20 payment of such obligations.”.

21 (b) OBLIGATION OF THE DISTRICT.—Section 490(c)
22 (D.C. Code, sec. 47–334(c)) is amended to read as follows:

23 “(c) Except to the extent permitted by section
24 467(a)(2), any and all such revenue bonds, notes, or other
25 obligations shall not be general obligations of the District

1 and shall not be a pledge of or involve the faith and credit
2 or taxing power of the District, and shall not constitute
3 a debt of the District, and shall not constitute lending of
4 the public credit for private undertakings as contained in
5 section 602(a)(2).”.

6 **SEC. 4. NO APPROPRIATION NECESSARY.**

7 (a) IN GENERAL.—The fourth sentence of section
8 446 (D.C. Code, sec. 47–304) is amended to read as fol-
9 lows: “Except as provided in section 467(d), section
10 471(c), section 472(d)(2), section 483(d), and section
11 490(a)(5)(C), (f), and (g)(3), no amount may be obligated
12 or expended by any officer or employee of the District of
13 Columbia government unless such amount has been ap-
14 proved by Act of Congress, and then only according to
15 such Act.”.

16 (b) CONFORMING AMENDMENT.—Section 467(d)
17 (D.C. Code, sec. 47–326.1(d)) is amended to read as fol-
18 lows:

19 “(d) The fourth sentence of section 446 shall not
20 apply to any obligation or expenditure of any District reve-
21 nues to secure any general obligation bond under sub-
22 section (a) or any revenue bond or other obligation under
23 subsection (e).”.

1 **SEC. 5. EXCLUSION OF PLEDGED REVENUES FROM ANNUAL**
2 **AGGREGATE LIMIT ON BONDS.**

3 Section 603(b)(3)(A) (D.C. Code, sec. 47–
4 313(b)(3)(A)) is amended by inserting “or establishing a
5 security interest in such bonds” after “bonds”.

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